



This document is scheduled to be published in the Federal Register on 09/12/2016 and available online at <http://federalregister.gov/a/2016-21863>, and on FDsys.gov

BILLING CODE 7535-01

NATIONAL CREDIT UNION ADMINISTRATION

Agency Information Collection Activities: Proposed Collection; Recordkeeping and Disclosure Requirements of Regulations B, E, and M, issued by the Consumer Financial Protection Bureau (CFPB), and Regulation CC, issued by the Board of Governors of the Federal Reserve System (FRB); Comment Request

AGENCY: National Credit Union Administration (NCUA).

ACTION: Notice and request for comment.

SUMMARY: NCUA, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to comment on the submission for reinstatement of a previously approved collection, as required by the Paperwork Reduction Act of 1995. NCUA is soliciting comment on the reinstatement of the information collection described below.

DATES: Comments should be received on or before **[INSERT DATE 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to be assured consideration.

ADDRESSES: Interested persons are invited to submit written comments on the information collection to Dawn Wolfgang, National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314, Suite 5067; Fax No. 703-519-8579; or E-mail at PRAComments@ncua.gov.

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be directed to the address above.

SUPPLEMENTARY INFORMATION:

I. Abstract and Request for Comments

This information collection request provides for the application of three CFPB rules and one FRB rule. NCUA has enforcement responsibility for these rules for federal credit unions. These rules are:

- Regulation B (“Equal Credit Opportunity Act,” 12 CFR Part 1002);
- Regulation E (“Electronic Fund Transfers,” 12 CFR Part 1005);
- Regulation M (“Consumer Leasing,” 12 CFR Part 1013); and
- Regulation CC (“Availability of Funds and Collection of Checks,” 12 CFR Part 229).

Regulation B – 12 CFR Part 1002 – Equal Credit Opportunity Act (ECOA) (15 U.S.C. 1691)

The ECOA was enacted in 1974 and is implemented by Regulation B. ECOA and Regulation B prohibit lenders from discriminating in any aspect of a credit transaction on the basis of the

applicant's sex, marital status, race, color, religion, national origin, or age. It also prohibits discrimination because an applicant's income is derived from a public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act (Pub.L. 90-321, 82 Stat.146).

The regulation establishes guidelines for gathering and evaluating information about personal characteristics in applications for certain dwelling-related loans, requires lenders to provide applicants with certain information including copies of appraisal reports in connection with credit transactions, and requires written notification of action taken on a credit application. The regulation contains rules relating to the use of co-signers. The regulation also requires spousal information to be reported to consumer reporting agencies to reflect participation of both spouses.

Regulation E – 12 CFR. Part 1005 – Electronic Fund Transfers (Electronic Fund Transfer Act, 15 U.S.C. 1693 et seq.)

The Electronic Fund Transfer Act (EFTA) was enacted in 1978 and is implemented by Regulation E. The EFTA and Regulation E establish the rights, liabilities, and responsibilities of parties in electronic fund transfer (EFT) services and offer protections to consumers when they use such systems. The disclosures required by this regulation are designed to ensure consumer receive adequate disclosure of basic terms, costs, and rights relating to EFT services provided to them so that they can make informed decisions. Credit unions offering EFT services must disclose certain information to consumers including the following: initial and updated EFT

terms, transaction information, the consumer's potential liability for unauthorized transfers, and error resolution rights and procedures. The regulation also covers change-in-terms notices if the change would result in increased liability for the consumer, increased fees, fewer types of available EFTs, or stricter limitations on the frequency or dollar amounts of transfers; disclosures related to loyalty, award, or promotional gift cards; and requirements for gift card and gift certificate exclusions, prohibition on sale of gift certificates or cards with expiration dates, and other certificate and card disclosures. Subpart B of the regulation covers activities of remittance transfer providers.

Regulation M – 12 CFR Part 1013 – Consumer Leasing (Consumer Leasing Act, 15 U.S.C. § 1667-1667f)

The Consumer Leasing Act (CLA) was enacted in 1976 as an amendment to the Truth in Lending Act (TILA). The CLA and Regulation M are intended to provide consumers with meaningful disclosures about the costs and terms of leases for personal property. The disclosures enable consumers to compare the terms for a particular lease with those for other leases and, when appropriate, to compare lease terms with those for credit transactions. The CLA and Regulation M also contain rules about advertising consumer leases and limit the size of balloon payments in consumer lease transactions. The CLA and regulation M requires lessors to disclose to consumers uniformly the costs, liabilities, and terms of consumer lease transactions. Disclosures are provided to consumers before they enter into lease transactions and in advertisements that state the availability of consumer leases on particular terms. The regulation

generally applies to consumer leases of personal property in which the contractual obligation does not exceed \$54,600¹ and has a term of more than four months.

Regulation CC – 12 CFR Part 229 – Availability of Funds and Collection of Checks (Expedited Funds Availability Act, 12 U.S.C. 4001-4010 and the Check Clearing for the 21st Century Act, 12 U.S.C. 5001-5018)

This regulation establishes timeframes to govern the availability of funds deposited in checking accounts, rules to govern the collection and return of checks, and general provisions to govern the use of substitute checks. The regulation has consumer protection disclosure requirements and requires credit unions to make funds deposited in transaction accounts available within specified time periods, disclose their availability policies to customers, and begin accruing interest on such deposit promptly. The disclosures are intended to alert customers that their ability to use deposited funds may be delayed, prevent unintentional (and costly) overdrafts, and allow customers to compare the policies of different institutions before deciding at which institution to deposit funds. The regulation also requires notice to the depository bank and to a customer of nonpayment of a check.

Comments submitted in response to this notice will be summarized and included in the request for Office of Management and Budget approval. All comments will become a matter of public record. The public is invited to submit comments concerning: (a) whether the collection of information is necessary for the proper performance of the function of the agency, including

¹ The threshold amount is adjusted annually to reflect increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (§1013.1(e)(1)).

whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of the information on the respondents, including the use of automated collection techniques or other forms of information technology.

II. Data

Title: Regulation B ("Equal Credit Opportunity Act," 12 CFR Part 1002); Regulation E ("Electronic Fund Transfers," 12 CFR Part 1005); Regulation M ("Consumer Leasing," 12 CFR Part 1013); and Regulation CC ("Availability of Funds and Collection of Checks," 12 CFR Part 229).

OMB Number: 3133-0103.

Type of Review: Reinstatement with change of a previously approved collection.

Description: The third party disclosure and recordkeeping requirements in this collection are required by statute and regulation. The regulations prescribe certain aspects of the credit application and notification process, making certain disclosures, uniform methods for computing the costs of credit, disclosing credit terms and cost, resolving errors on certain types of credit accounts, and timing requirements and disclosures relating to the availability of deposited funds.

Respondents: Federal credit unions for Regulations B and M. Federal credit unions and any credit union member who chooses to exercise opt-in rights for Regulation E. Federally-insured credit unions for Regulation CC.

Estimated No. of Respondents: Regulation B, 3,811 federal credit unions. Regulation E, 2,938 federal credit unions and 24,700,000 credit union members who opt-in. Regulation M, 35 federal credit unions. Regulation CC, 4,957 federally-insured credit unions.

Frequency of Response: Annually for most credit unions. Once for credit union members choosing to opt-in.

Estimated Burden Hours per Response: Estimated burden hours per response range from 0.01 to 20 depending upon the information collection activity.

Estimated Total Annual Burden Hours: Regulation B, 484,351. Regulation E, 2,254,319. Regulation M, 2,625. Regulation CC, 504,610.

Reason for Change: The NCUA is consolidating the disclosure and recordkeeping requirement contained under Regulations B, E, M, and CC under a single information collection. Information collection requirements previously cleared under OMB control numbers 3133-0104 and 3133-0105 will be consolidated under 3133-0103.

By Gerard Poliquin, Secretary of the Board, the National Credit Union Administration,
on September 7, 2016.

Dated: September 7, 2016

Dawn D. Wolfgang

NCUA PRA Clearance Officer

[FR Doc. 2016-21863 Filed: 9/9/2016 8:45 am; Publication Date: 9/12/2016]